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## USAID CONTRIBUTES TO BUILDING NATIONAL CAPACITY TO STRENGTHEN FOOD SECURITY: AN EXAMPLE FROM MALI

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**BACKGROUND:** Sustained increases in agricultural productivity are a necessary foundation and a powerful catalyst for broad-based economic growth and long-term food security in Sub-Saharan Africa. The development and transfer of improved technology to farmers, and other private sector actors who supply inputs or process and market farmers' production, are crucial to achieve those increases. The Institut d'Economie Rurale (IER) in Mali has, through a radical set of organizational reforms, re-invented public sector agricultural research and the way researchers relate to their clients. These reforms have included a reduction in the number of researchers, re-grading of personnel by external review panels, the introduction of performance-based renewable contracts, financial management reform, decentralization of research management, and the formation of client advisory groups at the regional level to guide research program design and evaluation. IER's reforms make it the pioneer National Agricultural Research System (NARS) for the INSAH/SPAAR Framework For Action for the Sahel region.

**ORGANIZATION AND IMPACT:** A small, yet key, component of the overall reform package has been the establishment of a commodity sub-sector economics (CSE) program to develop solutions to input and product marketing

problems, identify unexploited opportunities, and improve the relevance and payoff to investments in IER's technical research programs. USAID has supported IER's transformation from the outset, while the CSE effort builds on a decade of partnership between IER and Michigan State University (MSU). MSU has participated through the Food Security II (FS II) Cooperative Agreement and its predecessor, the Food Security in Africa Cooperative Agreement. The FS II project is managed by AID/Washington's Global Bureau, Office of Agriculture and Food Security. USAID/Mali and AID/Washington Africa Bureau (AFR/SD/ PSGE/TDT and AFR/WA) have also helped finance the work in Mali.

The work on commodity subsector economics began in 1992 with a pilot study of maize marketing constraints and opportunities, financed by the Programme de Restructuration du Marché Céréaliier (PRMC) and USAID. Adoption of intensive sole-cropped maize was rapid during the period 1980-86. But when cereal markets were liberalized maize prices fell and became unstable, forcing farmers to reduce fertilizer use. The pilot study focussed on possibilities for expanding urban consumption of maize through the development of processed maize products, in particular refined and whole grain maize flours. The study provided the PRMC with a timely set



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of opportunities to promote private sector processing of local cereals during the design of the fourth phase of its program. The PRMC used the maize subsector study recommendations to organize the Malian PROCELOS (Promotion des Céréales Locales) network around four themes: 1) technical advice to processing enterprises, 2) facilitate access to investment and operating capital, 3) promotion through training, conferences and advertizing, and 4) policy dialogue for regulatory change and infrastructure development for agro-processing. USAID/Mali has put special emphasis on coarse grain processing in its new strategic plan, and the maize subsector study recommendations have informed the design of the activities planned under this program.

A further request for policy guidance was met following the 50% devaluation of the CFA franc in January 1994. In the space of just *two weeks*, the IER/MSU team was able to provide the PRMC and USAID with a detailed analysis of the likely impacts of devaluation on urban food security, and recommend concrete actions that could offset the negative, while reinforcing the positive, consequences of this potentially traumatic policy change. In February 1996, the Ministry of Rural Development and Environment adopted the maize pilot study's recommendation to undertake consumer tests of bread made from composite flour (15% maize flour, 85% flour from imported wheat). These tests have proven highly favorable and could result in an additional demand for 4,500 tons per year of locally produced maize.

IER moved rapidly to build a program from the experience of the pilot study. In December 1993, a USAID-funded workshop was held to build consensus among research program heads and their counterparts in the extension services on the role, approach and priorities for the proposed CSE program. Those commodities most likely to be affected by a potential devaluation of the CFA franc, livestock (a major source of potential increases in export earnings) and rice (crucial to urban food security and political stability), were

selected as priorities. In February 1995, a detailed research program design workshop was held. Representatives of farmers organizations, private sector input suppliers, policymakers, and technical researchers from the rice and livestock programs participated in the identification of research topics and questions.

IER's commodity subsector economics program has attracted strong participation by other donors (e.g., the World Bank and Mali's Agricultural Development Bank) and research organizations (e.g., CIRAD in France and several CGIAR centers including WARDA, ICRISAT, as well as the IFDC). The program is also becoming a resource center for the region and the rest of Africa. For example, CSE is preparing training materials for other groups in the region (e.g., through collaboration with the INSAH/PRISAS Devaluation Monitoring and Analysis Network). In October 1995, the World Bank, USAID/Mozambique and USAID/Ethiopia also sponsored a visit by Ethiopian and Mozambican officials to Mali to learn from IER's experience. Today, as appropriate for a program able to stand on its own two feet, USAID's role is limited to the provision of seed money for the development of new research proposals. The program's work will result in a greater degree of coordination between farm-level technological innovation and technological, institutional and policy innovation in input and output markets. This in turn will lead to faster adoption and greater returns to investment in technology development and transfer and, through accelerated agricultural sector transformation, more rapid and sustainable economic growth.

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